



16 October 2012

ASX Code: WCN

Nickel-Copper Drilling Update

Highlights

- **Several Conductive EM targets being tested**
- **New geophysical survey identifies new conductive EM targets**

Drilling Update

White Cliff Minerals Limited (“**White Cliff**” or “the **Company**”) advises that two of the eight diamond holes targeting conductive EM anomalies within the ultramafic sequence have been completed.

Hole LPDD001 drilling into the central ultramafic unit intersected a band of massive pyrrhotite at 195 metres on the contact between basalt and ultramafic rocks. Hole LPDD004 drilled into the western ultramafic unit intersected an extensive nickel laterite sequence prior to encountering a pegmatite (granitoid) at 80 metres. The entire hole will be sampled for nickel.

The diamond drill rig has commenced testing the LPC03 conductor that sits north of LPDD001 and was formed during an earlier phase of the ultramafic volcanic eruptive cycle. Conductor LPC03 has an 800 metre strike length, 300 metre down dip extent and dips at 70 degrees to the Southwest (Figure 1). Diamond drill hole LPDD002 will be drilled to approximately 300 metres depth and should intersect the target at around 250 metres.

The remaining 6 diamond drill holes are targeting various stratigraphic intervals within the ultramafic package with the dual objectives of testing six category one conductive EM targets and further refining the nickel sulphide deposition model. Anomalous nickel and/or copper soil geochemistry is associated with all of the conductors being tested in the current drilling program. In addition, new or re-evaluated geophysical surveys have identified additional category one anomalies (detailed below).

The drill program is partly funded by the Western Australian Government’s Royalty for Regions Exploration Incentive Scheme which will contribute \$90,000 towards the drilling at Lake Percy and \$140,000 towards the drilling at Mt Gordon.

Electromagnetic Survey Identifies New Conductive Targets

The Company is currently undertaking an extensive geophysical survey to evaluate the rest of the Lake Percy tenement. To date the survey has identified two new conductive targets to the northwest of the current drilling program within the eastern ultramafic sequence. The survey is also refining the size and location of five conductors identified just off the edge of a previous survey. In addition, re-evaluation of a historical EM survey has identified four conductors along the western ultramafic unit that have never been drilled. Each conductive target sits on or adjacent to an ultramafic contact that is considered to have the potential to host nickel sulphide mineralisation.

Managing Director Todd Hibberd reiterated that “The conductive EM anomalies being drill tested are outstanding exploration targets with similar geophysical characteristics to the anomalies identified at the Emily Anne nickel deposit. The local geology for the nickel sulphide style targets at Mt Gordon and Lake Percy is strikingly similar to the volcanic sequence that hosts the Maggie Hays and Emily Anne Nickel deposits. We are optimistic that the drilling will identify nickel mineralisation”.

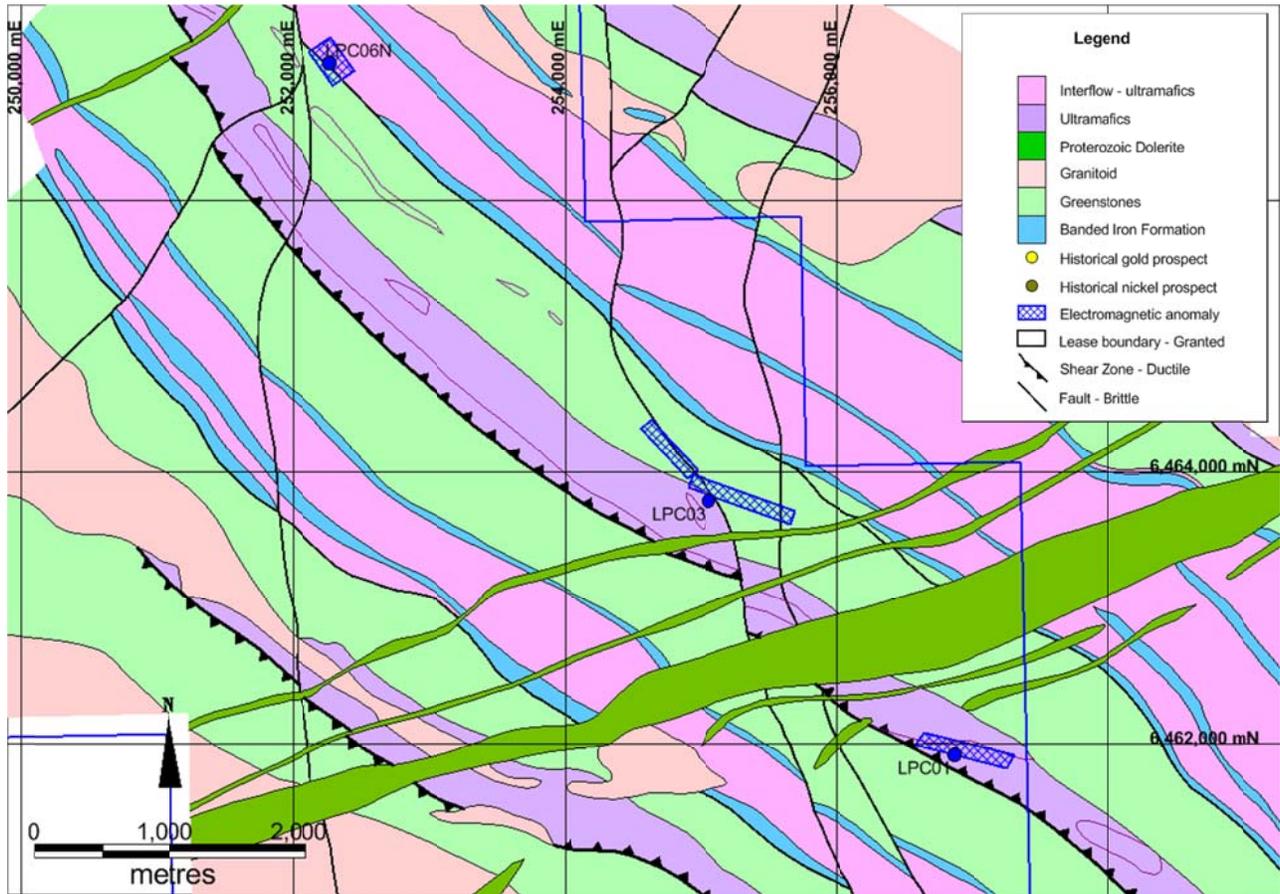
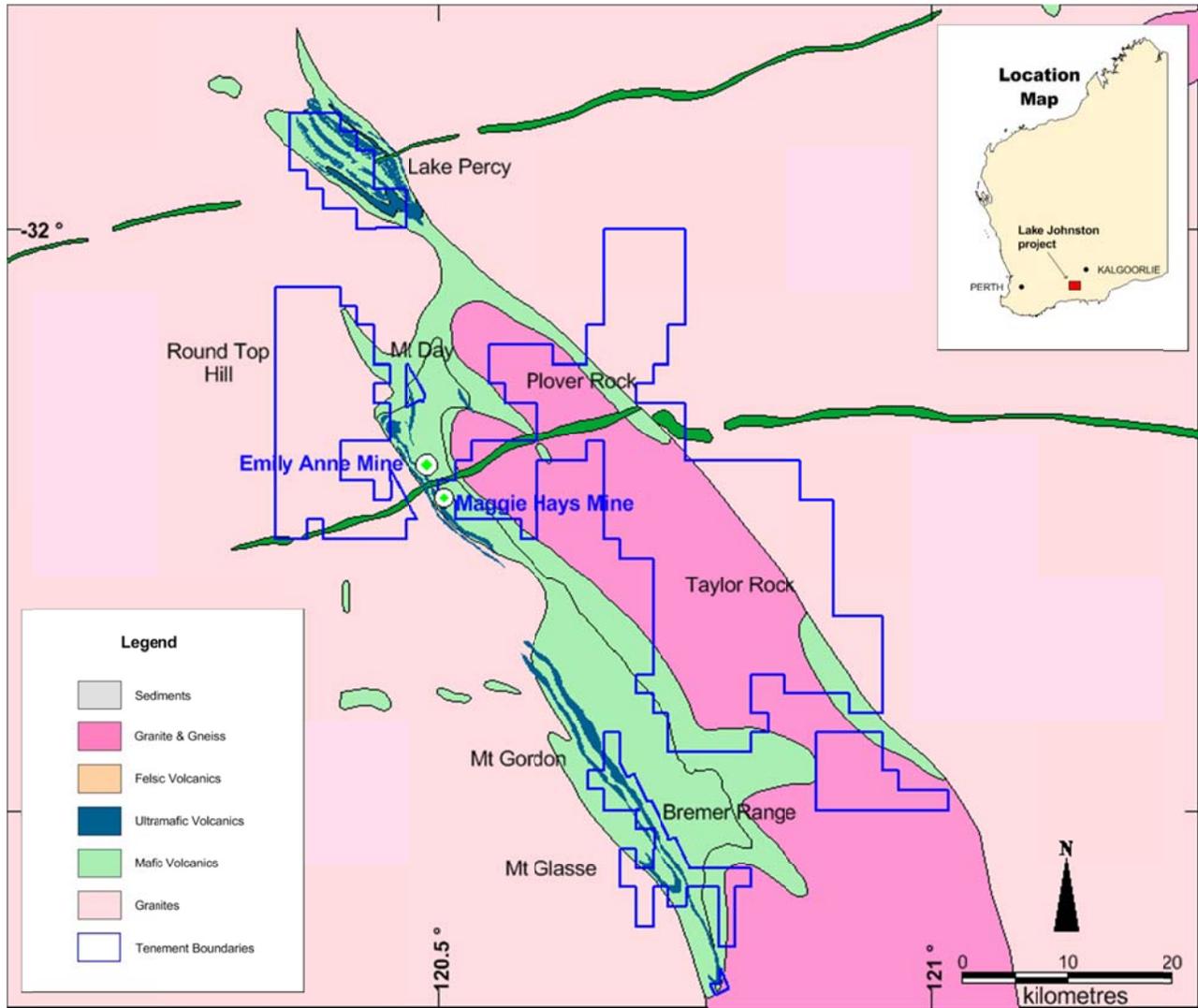


Figure 1 Diamond drilling target at Lake Percy. Drilling is currently targeting LPC03



Location Map: Regional geology map showing tenement holdings, mine locations and the location of the Mt Gordon and Lake Percy prospects.

For further information please contact:
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About White Cliff Minerals Limited

White Cliff Minerals Limited is a Western Australian based exploration company with the following projects:

Chanach Copper-Gold Project: The project consists of 83 square kilometres and is located in the Kyrgyz Republic 350km west-southwest of the capital city of Bishkek. The Chanach project is located in the western part of the Tien Shan Belt, a highly mineralised zone that extending for over 2500 km, from western Uzbekistan, through Tajikistan, Kyrgyz Republic and southern Kazakhstan to western China. Mineralisation occurs as porphyry and epithermal systems developed within magmatic arcs, and orogenic type gold deposits that are structurally controlled. Major deposits located within 100km of Chanach contain up to 93 million ounces of gold and 25 million tonnes of copper. Initial work indicates that the project hosts porphyry and skarn style copper and gold mineralisation. Drilling has identified several areas containing up to 2.1% copper and 1-2 g/t gold while rock sampling has identified up to 5% copper and 40 g/t gold within a large mineralised area.

Lake Johnston Project: This project covers approximately 1,400 square kilometres in the Lake Johnson Greenstone Belt. This Greenstone Belt contains Norilsk's Emily Ann and Maggie Hayes nickel sulphide mines which combined have a total resource of approximately 140,000 tonnes of contained nickel. Much of the project area was previously held by LionOre and is highly prospective for both komatiite associated nickel sulphides and amphibolite facies high-grade gold mineralisation. The area contains little outcrop, with the bedrock geology concealed by transported cover. Recent geophysical surveys have identified multiple new nickel sulphide targets that require drill testing.

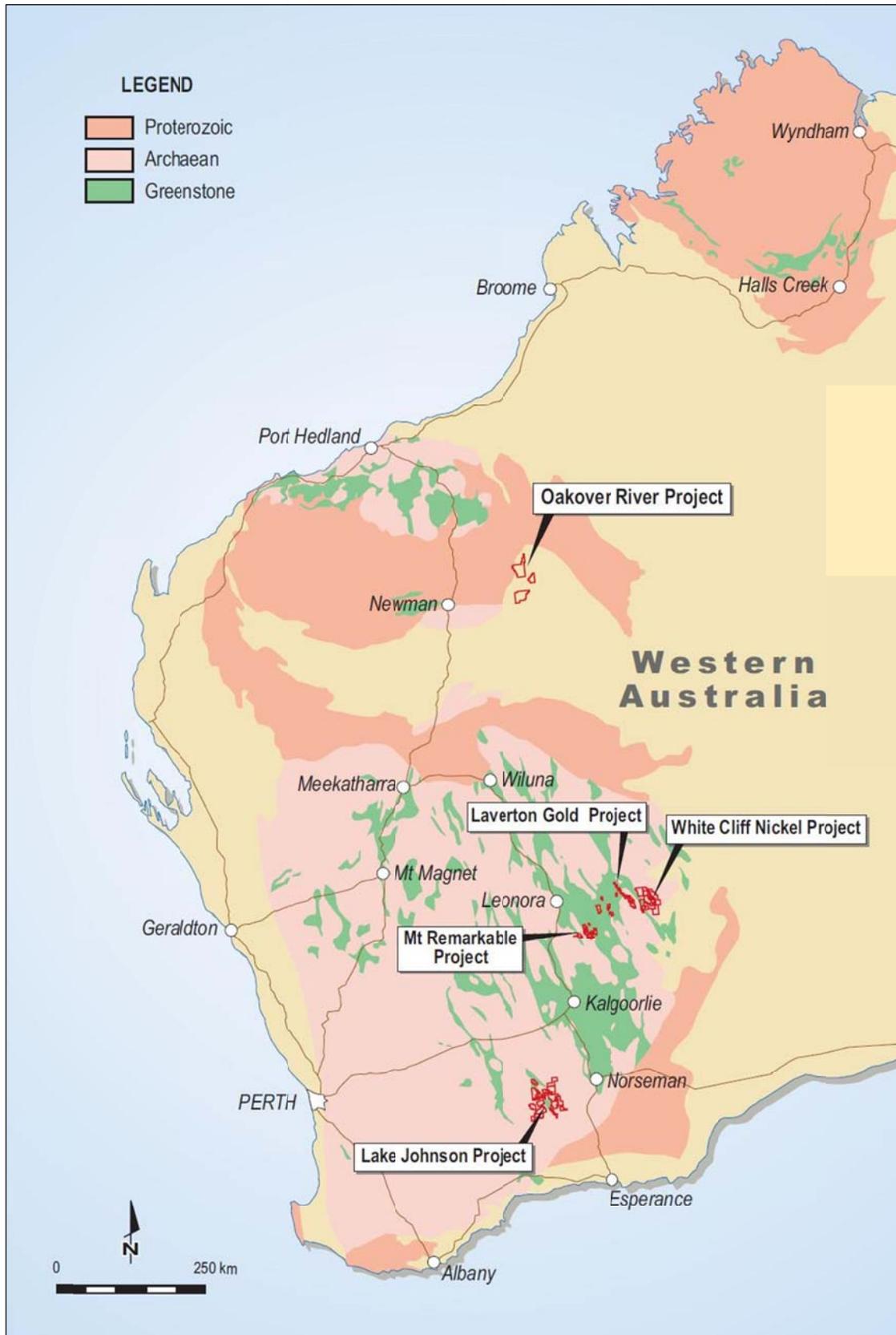
White Cliff Nickel Project: The project which covers over 1,200 square kilometres in the Merolia section of the Laverton Greenstone Belt situated 60 kilometres south-east of Laverton WA. The region contains the Irwin-Coglia and Mineral Patch Hill nickel deposits and Fish and Lord Byron Gold deposits.

Mount Remarkable Project: The project located approximately 170 km N-NE of Kalgoorlie and about 25 km SE of Kookynie in the Northern Goldfields. Included in the project area are the historic mining centres of Mt Remarkable and Yerilla which consists of several old workings. Major gold mines in the surrounding area include Sons of Gwalia, Tarmoola, Carosue Dam, Granny Smith, Wallaby and Sunrise Dam.

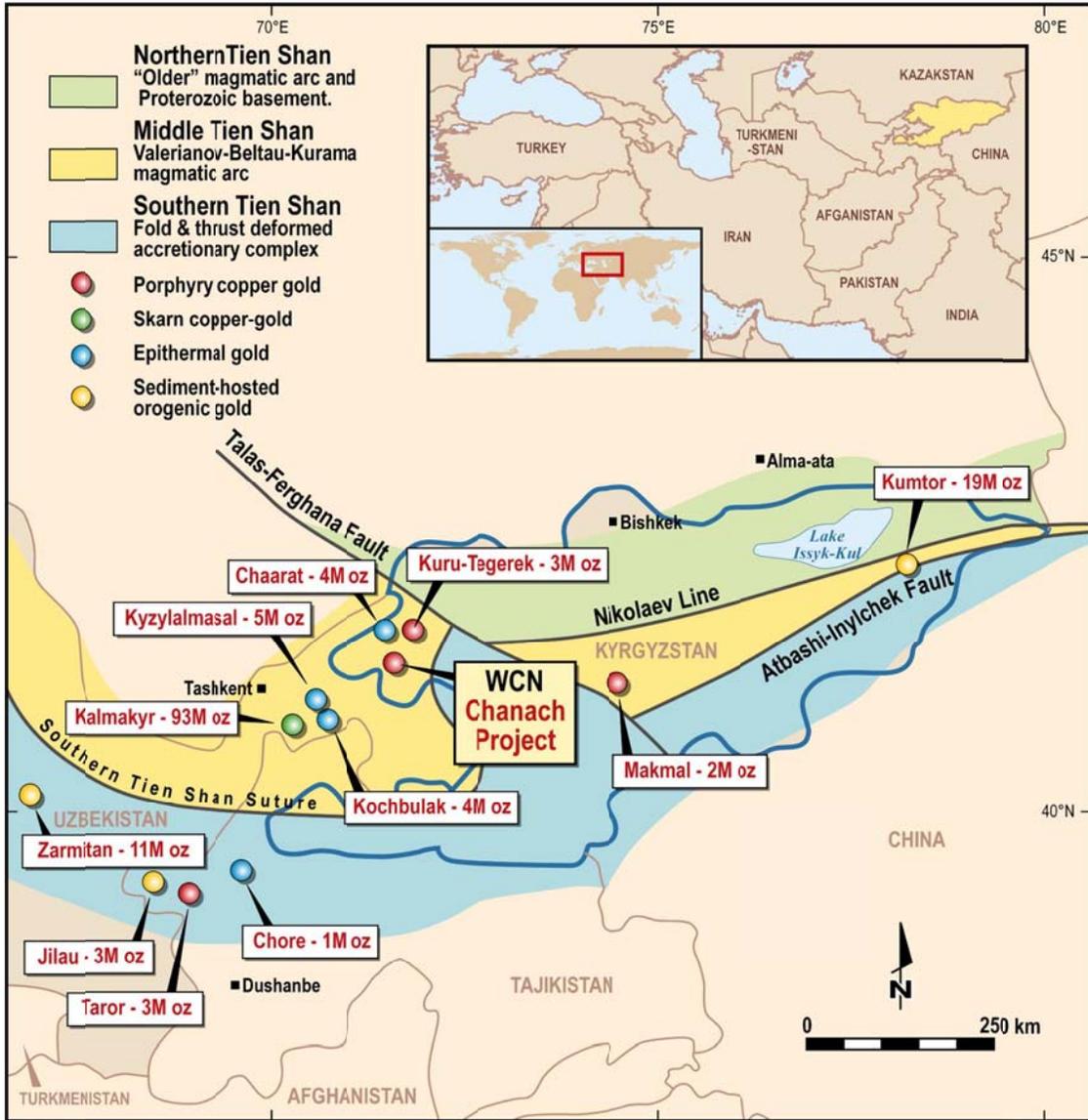
Laverton Gold Project: The project consists of 1200 square kilometres in the Laverton and Merolia Greenstone belts. The core prospects are located 20km south of Laverton in the core of the structurally complex Laverton Tectonic zone immediately south of the Granny Smith Gold Mine (3 MOz) and 7 kilometres east of the Wallaby Gold Mine (7MOz). In addition, applications are pending over a large part of the Merolia Greenstone belt immediately Southwest of Laverton.

Ghan Well Project: The project covers an area of 83km² located approximately 40km South-West of Laverton. The project is centred on a 6km long nickeliferous ultramafic unit. Minara Resources is currently mining from the Murrin Murrin East Pit along strike from the Company's recent drilling. The cumulate textures observed in the ultramafic unit suggest the unit is prospective for nickel sulphide mineralisation at depth.

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Todd Hibberd, who is a member of the Australian Institute of Mining and Metallurgy. Mr Hibberd is a full time employee of the company. Mr Hibberd has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Hibberd consents to the inclusion of this information in the form and context in which it appears in this report.



Tenement Map- Australia. A regional geology and location plan of White Cliff Nickel Limited exploration projects in the Yilgarn Craton, Western Australia



Project Map- Kyrgyzs Republic. Location of the Chanach Gold-Copper Project